

**REQUEST FOR PROPOSAL
(SEPTEMBER 2019)**

**FOR
SELECTION OF
STATE QUALITY MONITORs/THIRD PARTY STATEQUALITY MONITORs
OFONGOING/COMPLETED PROJECTS UNDER NEC, NLCPR/ NESIDS,
RIDF, SIDF, MPLADS, MLALADS, UNTIEDFUND, BE, BUDGET
ANNOUNCEMENT (CSS and STATE FUNDED) PROJECTS etc.:
2017-18/2018-19/2019-20**

IN

ARUNACHAL PRADESH

ISSUED BY

**DEPARTMENT OF FINANCE, PLANNING AND INVESTMENT
(Planning and InvestmentDivision)
GOVT. OF ARUNACHAL PRADESH
ITANAGAR, ARUNACHAL PRADESH
PIN: 971111**

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Part I – TERMS OF REFERENCE

1.1 BACKGROUND

Government of Arunachal Pradesh is allocates fund and sanctions various state funded and centrally sponsored schemes such as BE, Budget Announcement, NEC, NLRCP/NESIDS, RIDF, SIDF, BADP, MPLALADS, MLALADS, UNTIED FUND, PM'S FLAGSHIP SCHEMES, CM's FLAGSHIP SCHEMES etc. The State Government has decided to undertake Quality Monitoring on actual ground execution of the projects in the State. Thus the State Govt. needs to appoint independent agencies to check and review the quality of projects on-sites to obtain impartial reports about the quality of the projects to ensure durability of the projects. Therefore, SQM will review and evaluate the work quality of the new/ ongoing projects/schemes upto completion stage. The State Quality Monitor (SQM)/Third Party State Quality Monitor (TPSQM) shall be appointed, to undertake quality monitoring of the projects.

The TPSQMs shall cover all such projects in the State of Arunachal Pradesh which were sanctioned and are ongoing till date. The Planning & Investment Division (Monitoring Unit) shall be the Nodal Agency of the Finance, Planning & Investment Department shall be the appointing authority of the SQMs/TPSQMs.

Limited bids will be called from the quality monitoring consultants empaneled by the MoUD/ MoRD etc. and the agencies already working in the field in Arunachal Pradesh. Request for Proposals is now being issued and proposals are sought from empaneled firms by Finance, Planning and Investment Department (Monitoring Unit), Government of Arunachal Pradesh.

1.2 OBJECTIVES

The objective of appointing Independent Quality Monitoring Agencies is to undertake quality monitoring of the new/ ongoing Projects and to monitor the quality of the new/ongoing projects/schemes and its performances under **BE, BUDGET ANNOUNCEMENT, NEC, NLRCP/NESIDS, RIDF, SIDF, MPLADS, MLALADS, UNTIED-FUND, PROJECTS (CSS and State funded)** at 3 (three) stages i.e. 0-15%, 35-55% and 60-100% through its entire lifecycle of implementation, on the basis of detailed on-site review, examination of appropriate documents and discussion with the Project Executing Agencies, Beneficiary departments and other key stakeholders of the state.

The scope of the services expected from the State Quality Monitors/Agencies are described below. The inputs from the SQMs/TPSQMs shall enable the Planning and Investment Division (Monitoring Unit) to report on the performances of the Project

Executing Agencies (PEAs) with respect to maintaining of Quality of the projects implementation.

1.3 SCOPE OF SERVICES:

The State Quality Monitors (SQMs)/ Third Party State Quality Monitors (TPSQMs) are expected to review/evaluate and undertake quality monitoring of the identified projects/ Schemes sanctioned under **CSS and State funded** in Arunachal Pradesh in year and District wises.

The scope of services for the SQMs/TPSQMs will include the following:

1.4 Pre-Construction and Construction Stage:

Review of the project through the courses of its construction is to primarily review and monitor physical progress, financial progress, commercial performance, **project quality**, compliance to statutes and other requirements. Such review to be conducted periodically at 3 stages over the construction period should cover:

- (I) Report on Quality and Physical progress of the project:
 - (a) Review the physical performance accomplished in the project with respect to the milestones projected in the DPR with Quality assurance.
 - (b) Review of rescheduling of milestones in the DPR on the basis of performance.
 - (c) Report on abnormal delays and low quality of any others in project activities and advice for corrective/ remedial measures.
- (II) Report on Quality assurance systems and Project quality:
 - (a) Report on methodology and frequency of tests carried out by the contractors/ executing agencies for quality assurance by the consultants and examining Request for Inspection (RFI) and reports. Ensure that they are in line with good industry practices.
 - (b) Confirm that the work specification and materials used for construction are as per the specifications of the DPR and contract agreement on the projects.

- (c) Report about cases of non-conformance from quality reviews based on available documents and interactions.
- (III) Report on the Commercial performance and Financial progress of the project:
- A. Commercial performance
 - (i). Review and report on commercial performance of contractors under the project with respect to commercial terms and conditions, i.e, performance with respect to clauses such as- guarantee/warranty, defects-liability, licenses, bank guarantee, insurance, payment schedule, taxes, dispute resolution mechanisms, etc.
 - (ii). Highlight and report on enforcement of critical commercial terms and conditions by either party that has an impact on time and cost of the project.
 - (iii). Suggest remedial measures to improve commercial performance.
 - B. Financial progress of the project.
 - (i). Report on adequacy of systems for project related financial management.
 - (ii). Report the quantum and timelines of contribution of funds from all the counter parties of the project by verifying receipts statements.
 - (iii). Review documents related to claim for payments and payments made for quality monitoring. Such documents will include- Invoices, Measurement Book, Bank statements, monitoring certificates by Chairman DLMC.
 - (iv). Report on utilization of funds in verification with bank reconciliation statements.
 - (v). Remedial measures to improve quality assurance and financial progress on projects.
- (IV) Report any major variation in overall project quality and cost, due to changes in the Bill of Quantities as per the contract.
- (V) Compliance to the statutory requirements
- A. Report on compliance to directives by State and Central environmental agencies stated during the environmental clearance of the project, compliance with the Environmental Management Plan for the project, and good environmental management practices of the industry.

- B. Report on provision, installation, and usage of health and safety equipments and practices at site by visual observation and examination of records. The report should include health and safety issues concerning workers at site.
- C. Report on standards of health and sanitation arrangements maintained at campsite by visual observation and discussion with the concerned stakeholders.
- D. Report about the progress on quality of Resettlement and Rehabilitation of Project Affected Persons.
- E. Report on persons requiring resettlement and rehabilitation assistance as reported by the land acquisition team and the DPR.
- F. Report on compensation awarded and/or to be paid as per the records.
- G. Report on court cases, which likely to affect the physical progress and quality of the project.

1.5 Commissioning, Trial run and Testing Stage

- (i) Report on quality of necessary training imparted to the operations and maintenance (O&M) team for taking over the completed project. The agency will check with records and discussion with participants.
- (ii) Report on stages of testing and level of participation by the O&M team.
- (iii) Reports on handing over of all documentation, "As Built" drawing operational instructions and equipment manuals to the O&M team.
- (iv) Report on trial runs and completion of project.

1.6 Post Construction Stage:

- (i) To evaluate, list all the completed projects and report on overall performance and quality of the assets (projects) created with respect to already completed Projects/schemes.
- (ii) Capacity-delivering capacity requirements
- (iii) Functionality- meeting all functional requirements

- (iv) Usage-extent of usage, break downs and shut downs
- (v) Performance of the O&M team

1.7 TIME FRAME:

- (i) The services of the SQMs/TPSQMs are required to be rendered over the entire life cycle of the project development till its completion or as deem necessary by the State Govt.
- (ii) For a particular project, the SQMs/TPSQMs work starts from the date of project sanctioned by the state govt. and ends after the Project Completion by the executing agencies.
- (iii) Subsequent to filling of the Project Completion Report, the SQMs/TPSQMs shall make one visit of the projects to assess the overall performance and the quality of the asset created by the executing agencies and reports shall be submitted to State Government.
- (iv) SQMs/ TPSQMs shall be appointed for quality monitoring for entire life cycle of the projects under **CSS and State Funded**. Extension of work of SQMs/TPSQMs beyond this time period shall be subject to the decision of the Government of Arunachal Pradesh.
- (v) The suggested methodology for the SQMs/TPSQMs quality monitoring work is tabulated below. The timing of review and the method of review is indicative. The required frequency of such reviews is mentioned below, and shall vary based on the requirements of specific project. Review visits at a frequency higher than that mentioned below, shall only be undertaken at the expressed request by the Department of Finance, Planning and Investment. The table below provides an indication of the effort estimate required from the SQMs/TPSQMs.

Sl No	Nature of review	Timing	Method of review
1.	Review of DPRs/ project design document	<ul style="list-style-type: none"> • During and after completion of projects/ design of project component 	<ul style="list-style-type: none"> • Design, drawings and documents
2.	Review of bid documentation and bid process	<ul style="list-style-type: none"> • Review of documents prior to NIT 	<ul style="list-style-type: none"> • Proof of advertisement, letter, and correspondences, • Bid Documents, contract

			agreements
3.	Review of site preparation and clearances to begin construction	<ul style="list-style-type: none"> • Prior to start of construction/ after 15% progress of projects 	<ul style="list-style-type: none"> • Inter departmental correspondences • Official records
4.	Review of Project Management System	<ul style="list-style-type: none"> • After issue of sanction order of Project 	<ul style="list-style-type: none"> • As per official records • Observations at sites • Discussions with PEAs
5.	Report on physical design document	<ul style="list-style-type: none"> • After handing over the site to contractor/ concessionaire, • Regular visit during the Construction period 	<ul style="list-style-type: none"> • Reports and documents submitted by PEAs • Review of milestone as per DPRs and contract agreement • Discussions with PEA
6.	Report on quality assurance system		<ul style="list-style-type: none"> • Request for Inspection (RFI) reports • Contract agreement and physical observations • Discussions with PEAs
7.	Commercial Performance	<ul style="list-style-type: none"> • During and after the construction period 	<ul style="list-style-type: none"> • Contract and • Relevant documents
8.	Financial Performance		<ul style="list-style-type: none"> • Invoices, measurement book, bank statements • BOQ as per contracts
9.	Compliance to the statutory requirements	<ul style="list-style-type: none"> • Pre-Construction, during construction and Post-Construction 	<ul style="list-style-type: none"> • As per the MoEF guidelines • EMP document for the project • Comparison with relevant legislation/rules
10	Safety and Health	<ul style="list-style-type: none"> • Construction and Post-Construction Stage 	<ul style="list-style-type: none"> • As per relevant standards/ good practices Contracts
11.	Progress of Resettlement and Rehabilitation	<ul style="list-style-type: none"> • During Pre-Construction and construction stage if the Land acquisition process is not completed. 	<ul style="list-style-type: none"> • As per R&R Action Plan submitted along with PR/Land acquisition proposal submitted, records of competent authority • No. of court cases against land acquisition for the project
12.	Commissioning, Trial runs and Testing	<ul style="list-style-type: none"> • Commissioning, Trial Runs and Testing stage 	<ul style="list-style-type: none"> • As per records and discussion with concerned officials
13.	Report on overall performance of the asset created (project)	<ul style="list-style-type: none"> • Post Construction Stage, about three month after project completion 	<ul style="list-style-type: none"> • Records and discussion with officials/ beneficiary community

1.8 DELIVERABLES

The SQMs/TPSQMs will undertake desk review of documents and make periodical site visits to each project as mentioned above. SQMs/TPSQMs may be expected to conduct additional field inspections on the specific aspects as required by the Planning & Investment Division. SQMs/TPSQMs shall provide reasonable advance notice for require documents, materials, records etc. of the projects. They will also intimate in advance of their planned field visits to sites, schedule of meetings to the Planning & Investment Division (Monitoring Unit) and the PEAs.

The PEAs will provide necessary inputs such as DPRs, Sanction Orders, Technical sanction Order copies, drawing and designs, MBs, Completion Reports, UCs, Handing Taking over Certificates of completed Projects/Schemes etc. to the SQMs/TPSQMs teams and Monitoring Unit of the Finance, Planning and Investment Department. The observations of the SQMs/TPSQMs team on projects execution should be discussed with the PEAs before concluding the visit. The reporting would be as per the check lists, Govt. approved format provided by the Planning & Investment Division. Hard copies as well soft copies of the Quality Monitoring Reports should be submitted to the Planning & Investment Division (Monitoring Unit), Department of Finance, Planning and Investment for forwarding to the Deputy Commissioners/ DLMCs and the Project Executing Agencies (PEAs) in cases of irregularities or any other Adverse observations in quality and quantity aspects of the Projects for corrective actions. The DCs and PEAs may physically verify the projects and then submit their field verification reports to Monitoring Unit of Planning & Investment Division for further action. The SQMs/TPSQMs shall be engaged to conduct revisit of the projects with adverse observations and rectified by the concern executing agencies for which the report shall be submitted to the Planning & Investment Division.

1.9 PERSONNEL REQUIREMENTS:

Technical Experts from the SQMs/TPSQMs are expected to be optimally deployed as per the needs of individual projects. The team members of the SQMs/TPSQMs are expected to be highly qualified and vast experiences in their respective areas/fields of expertise. They are expected to have experiences in similar infrastructure projects for a minimum period of 3 years and above.

The SQMs/TPSQMs teams should typically comprise of a core team led by an experienced team Leader/principal/Chief consultant. The Team Leader should have experiences relevant to project quality monitoring and implementation experiences. The Team Leader is expected to play a key role in interface with Planning & Investment Division and PEAs, and provide guidance in review methodology and coordinate deployment of the core team and field specialists. The core team should comprise

of professionals with specialization in public health engineering, roads, bridges and highway engineering, infrastructures, finance and accounts, Power, Transmission and distribution, medical equipments and medicines etc. The core team should be supplemented by specialists in fields such as geo-technical engineering, traffic and transportation, procurement and contracts, urban renewal and heritage conservation, electro-mechanical and instrumentation.

The core team members should be supported by the field specialists in the site visits and during interactions with the PEAs.

1.9.1 Conflict of Interest:

Planning and Investment Division, Department of Finance, Planning and Investment requires that SQMs/TPSQMs provide professional, objective, and impartial review at all times and holds the State's paramount interests, strictly avoid conflicts with other assignment / jobs or their own corporate interests and act without any consideration for future work. Agencies/ persons having "Conflict of Interest" will not be eligible to be Quality Monitors or be a part of the State Quality Monitor's team.

- (a) Any firm / agency, engaged either as a main consultant, service provider or a sub consultant, either in project preparation, supervision, or implementation work for any completed or ongoing **CSS and State Funded projects**.
- (b) Any firm / agency black-listed by the State Government for any reasons whatsoever, will not be eligible to bid for that particular state.

1.10 SUPPORT AND INPUTS TO THE SQMs/TPSQMs

Planning & Investment Division (Monitoring Unit), Department of Finance, Planning and Investment, Govt. of Arunachal Pradesh, shall communicate clear directions and guidance to Projects Executing Agencies (PEAs) and Deputy Commissioners (DCs) concerned for extension of cooperation, sharing of information and all necessary assistance to the State Quality Monitors (SQMs)/ Third Party State Quality Monitors (TPSQMs) for successful completion of the periodic Quality Monitoring of the ongoing/completed Projects/Schemes.